

James Andreoni and Lise Vesterlund, “Which is the Fair Sex? Gender Differences in Altruism.” Quarterly Journal of Economics, 116 (1), February 2001, 293-312.

1 Introduction

- Public Goods
 - Brown-Kruse and Hummels (1993) **Males more cooperative.**
 - Nowell and Tinkler (1994) **Females more cooperative.**
- Ultimatum
 - Eckel and Grossman (1996) **Same in offers, females accept more unfairness.**
 - Solnick (1995) **No difference in actions, but females are expected to cooperate more.**
- Dictator Games
 - Bolton and Katok (1995) **No difference.**
 - Eckel and Grossman (1997) **Females more cooperative.**
- Psychology Literature
 - Also lots of studies and lots of variance.

Why should we care about sex differences?

1. Are differences in altruism systematic? predictable?
2. Methodological question for experiments.
 - Should we report sex ratios?

2 Experimental Design

- Use the data from Andreoni and Miller (2002)
- Note: do not recruit based on sex or use same-sex groups.

3 Results

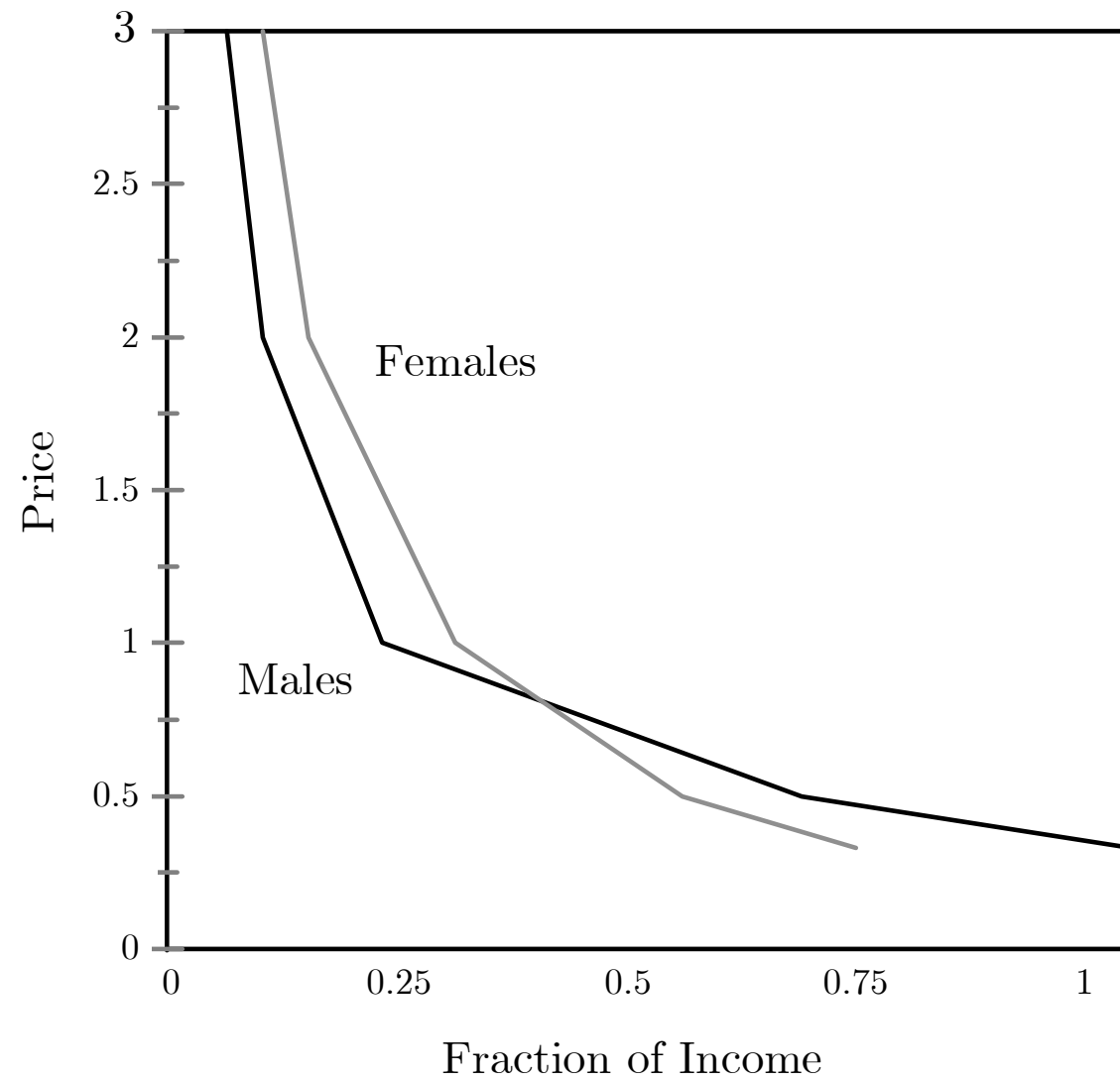
- No difference in mean, but big variation

TABLE 2

Mean Payoff to other Party

| Budget | Token Endowment | Income m | p_o/p_s | All Subjects | Male Subjects | Female Subjects | t-stat |
|---------|--------------------|---------------|-----------|-----------------|------------------|--------------------|--------|
| 1 | 40 | 4.00 | 1/3 | 3.79 | 4.18 | 3.01 | 1.96 |
| 2 | 60 | 6.00 | 1/2 | 4.02 | 4.30 | 3.49 | 1.48 |
| 3 | 75 | 7.50 | 1/2 | 4.68 | 5.00 | 4.03 | 1.53 |
| 4 | 60 | 6.00 | 1 | 1.54 | 1.36 | 1.91 | -2.26 |
| 5 | 100 | 10.00 | 1 | 2.52 | 2.33 | 2.92 | -1.42 |
| 6 | 60 | 12.00 | 2 | 1.42 | 1.21 | 1.82 | -2.07 |
| 7 | 75 | 15.00 | 2 | 1.71 | 1.42 | 2.29 | -2.35 |
| 8 | 40 | 12.00 | 3 | 0.89 | 0.67 | 1.32 | -2.97 |
| Average | | | | 2.57 | 2.56 | 2.60 | -0.24 |

Notice there is no significant difference on average. However, it would be misleading to stop there. When we look across all 8 budgets there seems to be real systematic differences.



Analysis of Utility Functions

- Separate out as in Andreoni and Miller

TABLE 4
Subject Classification by Prototypical Utility Function

| Utility Function | Male | | | Female | | |
|---------------------|--------|------|-------|--------|------|-------|
| | Strong | Weak | Total | Strong | Weak | Total |
| Selfish | 24 | 21 | 45 | 7 | 10 | 17 |
| Leontief | 13 | 11 | 24 | 10 | 15 | 25 |
| Perfect Substitutes | 8 | 18 | 26 | 0 | 4 | 4 |

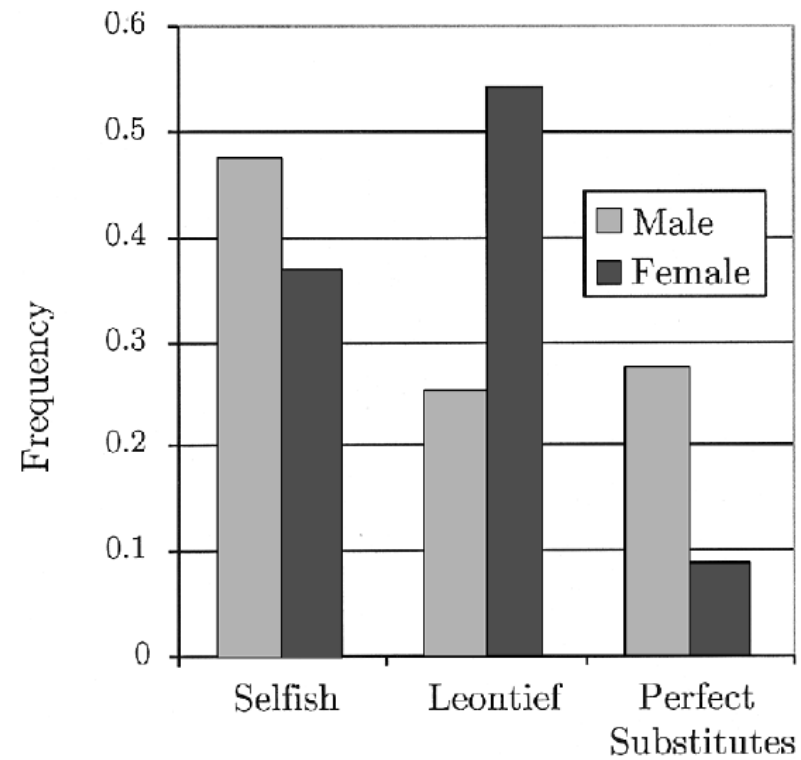


FIGURE II
Preference Distribution (Strong and Weak)

Note:

- Women more likely to be Leontief, Men more likely to be other extremes
- Fits with Gilligan (1982) that men are “instrumentalists” and women are “contextualists.”

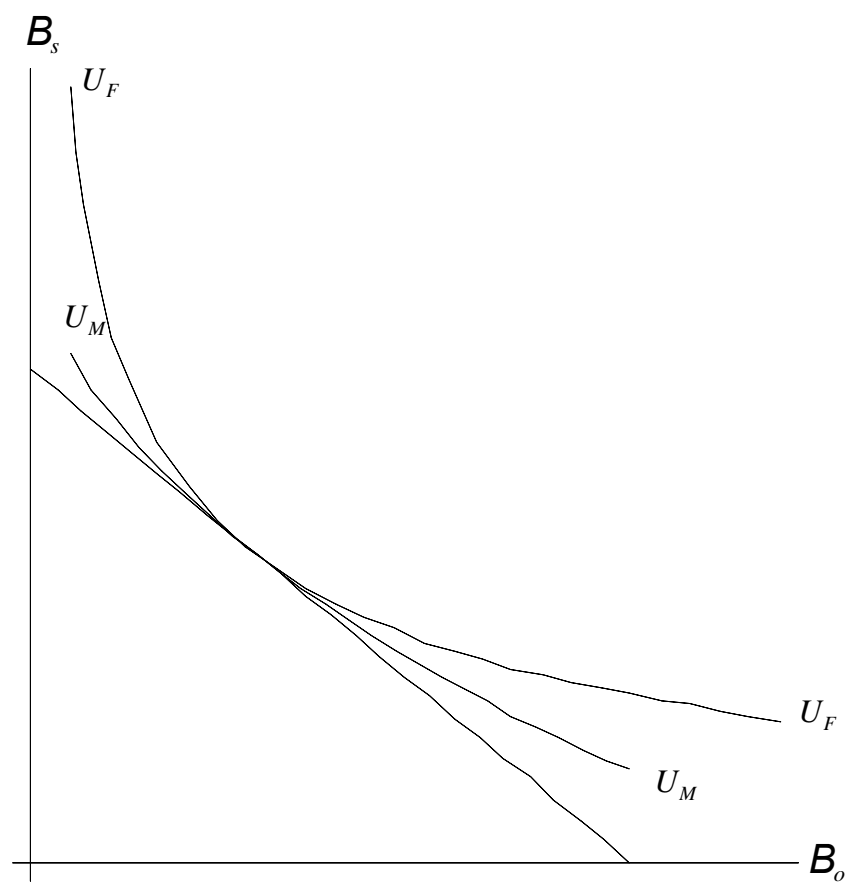
Demand Functions: $U_i = [\alpha\pi_s^\rho + (1 - \alpha)\pi_o^\rho]^{1/\rho}$

TABLE 6
Estimates of CES Demand Functions

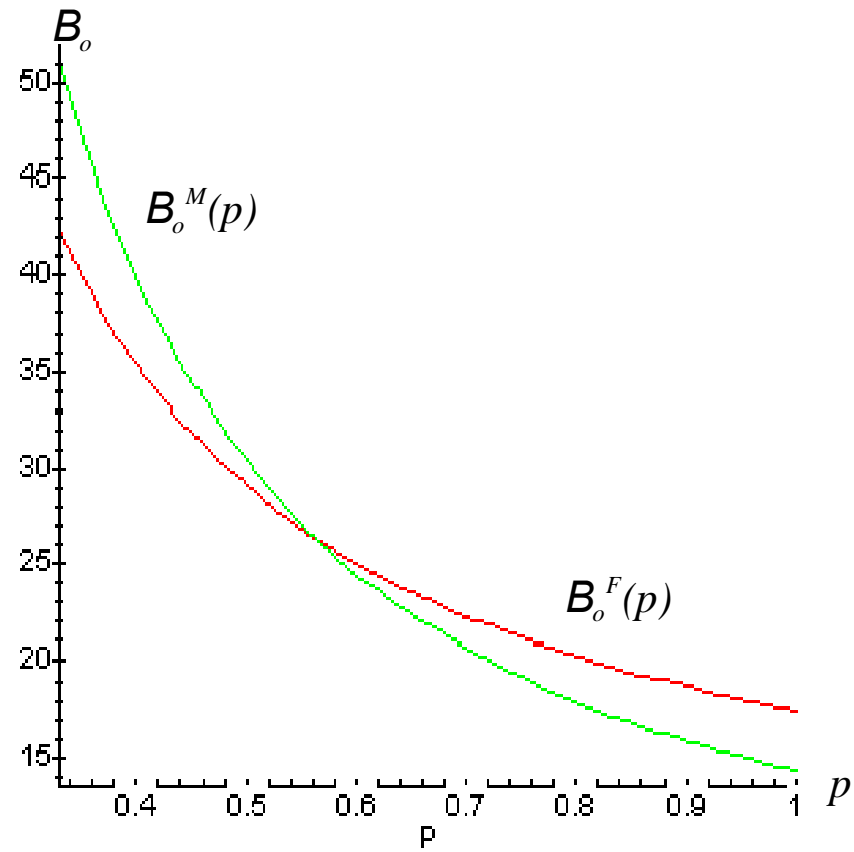
| | Male and Female | Female | Male |
|-----------------------|-------------------------------------|------------------------------------|--------------------------------------|
| Demand for π_o | $\frac{p^{-1.84}m}{p^{-0.84}+5.66}$ | $\frac{p^{-0.93}m}{p^{0.07}+3.04}$ | $\frac{p^{-2.66}m}{p^{-1.66}+10.79}$ |
| $\epsilon_o(p = 0.5)$ | -1.35 | -0.87 | -1.72 |

Note:

- Male and Female parameters are significantly different ($\chi^2_{[3]} = 71.64$)
- $\alpha_M = 0.71$, $\alpha_F = 0.77$, not significantly different ($t = -1.61$)
- $\rho_M = -2.66$, $\rho_F = -0.93$, is significantly different ($t = 4.78$).
- Males are more price elastic.



Male and Female CES Indifference Curves



Male and Female CED Demands at $m = 60$.

TABLE 7
Estimates of Weak CES Demand Functions

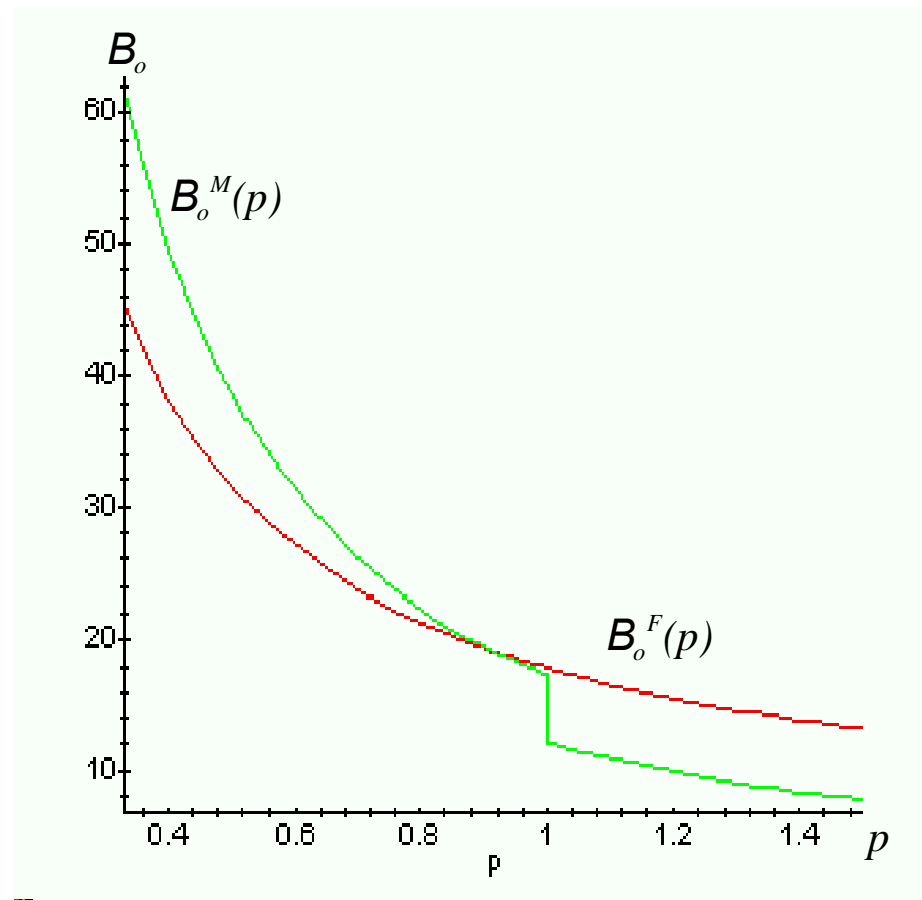
| | Male and Female | Female | Male |
|-----------------------|-----------------|-------------|-------------|
| A | 3.25(0.25) | 2.72(0.25) | 3.84(0.48) |
| r | -0.80(0.10) | -0.28(0.12) | -1.20(0.16) |
| N | 632 | 232 | 400 |
| In Likelihood | -248.64 | -67.72 | -169.61 |
| $\epsilon_o(p = 0.5)$ | -1.51 | -1.18 | -1.74 |

Note: numbers in parentheses are standard errors of the coefficient estimates.

- Males and females in the weak type are more similar, but still significantly different ($\chi^2_{[3]} = 22.62$).
- Aggregate demands are

$$\pi_o(p, m) = q_w \pi_o^w(p, m) + q_l \pi_o^l(p, m) + q_{ps} \pi_o^{ps}(p, m) + q_f \pi_o^f(p, m)$$

- Male and female aggregate demands are significantly different a $\chi^2_{[6]} = 34.80$.
- Note, around $p = 1$ the two are similar.



Aggregate CES demand curve at $m = 60$.

4 Comparison to Other Studies

Difficult to do since others tend to be all male or all female groups. Still, we can put some organization on the data

5 Conclusion

- No difference on average, but difference in variance.
- Males are more likely to be either perfectly selfish or to maximize total payoffs of both subjects
- Females are more likely to insist on equality.
- Males give more when it is cheap, females when it is expensive – demand curves cross.
- Perhaps we should have gender-balanced experiments, especially when altruism is involved.